Monthly Progress Report #25 July 2006

Falcon Refinery Superfund Site Ingleside San Patricio County, Texas TXD 086 278 058

Prepared for

National Oil and Recovery Corporation 3717 Bowne Street Flushing, NY 11354

August 10, 2006

Prepared by

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1.0 INTRODUCTION

This twenty-fifth Monthly Progress Report is submitted in accordance with the Falcon Refinery Site Administrative Orders on Consent for Removal Action and Remedial Investigation / Feasibility Study between the U.S. Environmental Protection Agency (U.S. EPA) and National Oil and Recovery Corporation (NORCO).

This Monthly Progress Report and subsequent reports will address activities associated with both of the orders.

The next monthly progress report, covering August 2006 will be submitted on or before September 10, 2006.

2.0 COMPLETED ACTIVITIES

2.1 Removal Action Activities

Approximately 120,000 gallons of liquid waste were removed and properly disposed during the month from Tank 26. To date a total of approximately 4,955,218 gallons of hazardous waste have been removed from the tanks and disposed of at the Texas Molecular deep well injection well. Original waste manifests are available at the Kleinfelder office in Austin. A compilation of hazardous liquid waste disposal is included as Table 1.

During June the disposal rate was doubled as compared to the rate during the previous six-month period. At the current rate approximately 120,000 gallons of waste will be disposed on a monthly basis.

Pipeline clean out activities, which concluded on June 20 will be documented and when approved by the EPA will be included in a monthly repot. During the pipeline clean out approximately 8,400 gallons of hydrocarbons and water were removed from the pipelines by vacuuming and the waste was placed into Tank 26 at the refinery.

Due to delays in receiving analytical data related to the pipeline clean out the report will be submitted to the EPA during August.

On July 12th NORCO contracted Wendel and Associates to perform a corrosion mitigation survey of the active pipeline that connects the refinery to the current barge dock facility. From the survey an accurate map was prepared of the location of the pipeline. The map was forwarded to the EPA.

NORCO is in the process of implementing the recommendations from the survey.

2.2 Remedial Investigation / Feasibility Study (RI/FS)

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The RI/FS Work Plan, Quality Assurance Project Plan, and Field Sampling Plan and an updated project schedule were submitted to the EPA on July 7, 2006.

3.0 CHANGES MADE IN THE PLANS DURING THE REPORTING PERIOD

None this reporting period.

4.0 COMMUNITY RELATIONS

On July 11th individuals living near the refinery called the TCEQ to report foul odors emanating from the refinery. Inspections by the TCEQ discovered that Superior Crude Gathering (Superior) was removing light end hydrocarbons from Tank 15 through a hatch in the roof of the tank. The TCEQ concluded that the source of the odor was sour crude that was allowed to vent during the removal actions of Superior and spread to the neighborhood. The TCEQ is in the process of reviewing Superior's permits. The TCEQ has not issued a report to date concerning the incident.

5.0 CHANGES IN PERSONNEL DURING THE REPORTING PERIOD

None this reporting period.

6.0 LIST OF PROJECTED WORK FOR THE NEXT TWO MONTHS

6.1 Removal Action Work projected for the next two months includes:

- Continuing the removal and disposal of liquids from the storage tanks and pipelines at the anticipated rate of approximately 120,000 gallons a month;
- Removal of debris; and
- Continued site maintenance.

6.2 RI/FS Work projected for the next two months includes:

- Making amendments to the RI/FS Work Plan and submitting the final RI/FS Work Plan; and
- Making amendments to and submitting the Field Sampling Plan and the Quality Assurance Project Plan.

7.0 LABORATORY / MONITORING DATA

None this reporting period.

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TABLES Table 1 **Hazardous Liquid Waste Disposal**

DISPOSAL FACILITY	ADDRESS	PHONE NO.	EPA ID NO.	CONTACT
Texas Molecular Corpus	6901 Greenwood Dr.			
Christi Services, LP	Corpus Christi, TX	361-852-8284	TXR000001016	Robert Rodriguez

RQ, HAZARDOUS WASTE LIQUID N.O.S., 9, UN3082, III (D007, D008, D018)

Month	Volume (gal)		
October-04	53,832		
November-04	734,763		
December-04	879,158		
January-05	783,881		
February-05	551,444		
March-05	565,489		
April-05	445,107		
May-05	471,311		
December-05	42,550		
January-06	58,740		
February-06	59,140		
March-06	0		
April-06	57,421		
May-06	59,763		
June-06	73,876		
July-06	118,743		
Total	4,955,218		

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Table 2 Metal Disposal

DISPOSAL FACILITY	ADDRESS	PHONE NO.	EPA ID NO.	CONTACT
	4614 Agnes St			
Commercial Metal Company	Corpus Christi, TX	361-884-4071	None	David

RECYCLED METAL

Month	Volume (lbs)		
October-04	0		
November-04	16,820		
December-04	19,640		
January-05	31,380		
February-05	0		
Total	67,840		

FIRE EXTINGUISHERS

Month	Quantity		
December-04	10		
Total	10		

Industrial Fire & Safety Co. removed 10 fire extinguishers from the job site. The powder was disposed of properly and the metal went to salvage.

Table 3
Contaminated Soil and Oily Debris Disposal

DISPOSAL FACILITY	ADDRESS	PHONE NO.	EPA ID NO.	CONTACT
	P.O. Box 307			
U.S. Ecology Texas L.P.	Robstown, TX	361-387-3518	TXD069452340	Glenda Felkner

PETROLEUM CONTAMINATED SOIL AND OILY DEBRIS

Month	Volume (cy)		
October-04	0		
November-04	0		
December-04	40		
January-05	0		
February-05	0		
Total	40		

RQ, HAZARDOUS WASTE SOLID, N.O.S., LEAD, 9 NA3077, PGIII (OILY SLUDGE AND SOIL)

Month	Volume (cy)		
February-05	15		
Total	15		

Services, LLC

Falcon Refinery Date: August 10, 2006 Section: Monthly Progress Report #25

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Table 4 Oil and Filter Disposal

DISPOSAL FACILITY	ADDRESS	PHONE NO.	EPA ID NO.	CONTACT		
Texas Molecular Corpus	6901 Greenwood Dr					
Christi Services, LP	Corpus Christi, TX	361-852-8284	TXR000001016	Robert Rodriguez		
RECYLCED OIL AND FILTERS						
	RECTECED OIL F	ANDFILTERS				
	Month	Volume (gal)				
	January-05	403				
	February-05	0				
	Total	403				
DISPOSAL FACILITY	ADDRESS	PHONE NO.	EPA ID NO.	CONTACT		
Midstate Environmental	2203 Tower Road					

361-387-2171

RECYLCED OIL AND FILTERS

Robstown, TX

Month	Volume (gal)		
January-05	16,651		
February-05	0		
Total	16,651		